

BY repealing and re-enacting, with amendments,

Article 95A - Unemployment Insurance Law
Section 8(e)
Annotated Code of Maryland
(1969 Replacement Volume and 1974 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 8(e) of Article 95A - Unemployment Insurance Law, of the Annotated Code of Maryland (1969 Replacement Volume and 1974 Supplement) be and it is hereby repealed and re-enacted, with amendments, to read as follows:

Article 95A - Unemployment Insurance Law

8.

(e) Employers other than political subdivisions of the State of Maryland who elect under subsection (d) to make payment in lieu of contributions shall be subject to the provisions of this subsection.

(1) Provision of bond or other Security. Any nonprofit organization that elects to become liable for payments in lieu of contributions shall be required within 30 days after the effective date of its election, to execute and file with the Executive Director a surety bond approved by the Executive Director. It may elect instead to deposit with the Executive Director money or securities, including irrevocable letters of credit, with the approval of the Executive Director. The amount of that bond, deposit or other security shall be determined in accordance with the provisions of this paragraph.

(i) The amount of the bond or deposit required by this paragraph shall be equal to 2.7 percent of the organization's total wages paid for employment as defined in § 20(n) for the four calendar quarters immediately preceding the effective date of the election, the renewal date in the case of a bond, or the biennial anniversary of the effective date of election in the case of a deposit of money or securities, whichever date shall be most recent and applicable. If the nonprofit organization did not pay wages in each of four such calendar quarters, the amount of the bond or deposit shall be as determined by the Executive Director.

(ii) Any bond deposited under this paragraph shall be in force for a period of not less than two taxable years and shall be renewed with the approval of the Executive Director, at those times as the Executive